GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:215
ANSWERED ON:09.05.2016
Target of Crude Oil/Gas Production
Pradhan Shri Nagendra Kumar;Shewale Shri Rahul Ramesh

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the crude oil/gas/ hydrocarbon output of Oil and Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL) from onshore/offshore fields has witnessed variation vis-a-vis the target set during the last three years;
(b) if so, the details thereof and the reasons therefor along with target fixed and achieved during the said period, companywise;
(c) whether State-run producers are struggling to meet their production cost/ earn profits in view of the said decline and if so, the details thereof along with plan chalked out by the Government to recoup the production of oil and gas in the next few years;
(d) whether the Government has conducted any study to find out the factors responsible for decline in output of the State-run producers and if so, the details and the outcome thereof; and
(e) the corrective measures taken/ proposed to be taken by the Government and the upstream oil and gas companies in this regard?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARAMENDRA PRADHAN)
(a) to (e) A statement is laid on the Table of the House.
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STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA STARRED QUESTION NO. 215 BY SHRI NAGENDRA KUMAR PRADHAN AND SHRI RAHUL SHEWALE TO BE ANSWERED ON 09.05.2016 REGARDING TARGET OF CRUDE OIL/GAS PRODUCTION
(a) to (b) : Crude oil & natural gas production target and achievements for Oil and Natural Gas Corporation Limited (ONGC) & Oil India Limited (OIL) during last three years is as given below: Companies
2013-14
2014-15
2015-16 Target Actual Target Actual Target Actual * Production of Crude Oil (MMT)
ONGC
24.090
22.246
23.510
22.267
22.732
22.368
OIL
3.910
3.466
3.600
3.412
3.595
3.226 Production of Natural Gas(BCM)
ONGC
23.442
23.284
24.000
22.022
23.908
21.177
OIL
2.740
2.626
2.838
2.722
3.001
2.838
* Provisional
Main reasons for shortfall in production of crude oil and natural gas of ONGC & OIL are because of the following:
i. More than expected natural decline from mature and aging fields.
ii. Delay in completion of development and re-development projects.
iii. Frequent bandhs and blockades in the operational areas.
iv. Lesser offtake of gas by consumers.

v. Gas production affected due to GAIL pipeline accident near Tatipaka.
vi. Water and sand ingress in the wells.
vii. Contractual issues.
(c): ONGC & OIL have been able to make reasonable Profit After Tax (PAT) after recovery of cost of production. Details are as under:
(Rs. In Crore)

	2013-14	2014-15	2015-16*
ONGC	22094.80	17732.95	11587.54
OIL	2981.30	2510.20	1860.87

* till Dec'15
(d) to (e): Most of the oil and gas producing fields of ONGC & OIL are mature and at natural declining phase. In order to arrest the natural decline of these fields ONGC & OIL have taken various action for augmenting/maintaining crude oil and natural gas production. In addition to focus on repair of existing well, artificial lift and stimulation of wells, they have also being taking help of modern technology such as Improved Oil Recovery (IOR) & Enhanced Oil Recovery (EOR) techniques, and redevelopment of various existing fields. Government has also taken various policy initiatives for enhancing crude oil and natural gas production viz, Hydrocarbon Exploration & Licensing Policy (HELP), Discovered Small Field Policy, Marketing and Pricing Freedom for Crude oil and Natural gas etc.
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